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August 31, 2005

Case Control Unit Surface Transportation Board 1925 K Street, N.W., Room 700 Washington, D. C. 20423

ATTN: Mr. David Navecky

RE: Finance Docket No. 34421, HolRail LLC-Construction and Operation

Exemption-in Orangeburg and Dorchester Counties, South Carolina

Dear Sir:

CSX Transportation, Inc. submits by efiling its comments concerning the Scope of Study in this proceeding.

Thank you for your assistance. If you have any questions, call or email me.

Sincerely yours,

Louis E Gitomer

Attorney for CSX Transportation, Inc.

Attachments cc: Mr. Moreno

BEFORE THE

SURFACE TRANSPORTATION BOARD

Finance Docket No. 34421

HOLRAIL LLC-CONSTRUCTION AND OPERATION EXEMPTION-IN ORANGEBURG AND DORCHESTER COUNTIES, SOUTH CAROLINA

RESPONSE OF CSX TRANSPORTATION, INC. TO PROPOSED SCOPE OF STUDY

Paul R. Hitchcock, Esq. Associate General Counsel CSX Transportation, Inc. 500 Water Street Jacksonville, FL 32202 (904) 359-1192 Louis E. Gitomer, Esq. Of Counsel BALL JANIK LLP 1455 F Street, N.W., Suite 225 Washington, DC 20005 (202) 638-3307

Attorneys for: CSX TRANSPORTATION, INC.

Dated: August 31, 2005

BEFORE THE

SURFACE TRANSPORTATION BOARD

Finance Docket No. 34421

HOLRAIL LLC-CONSTRUCTION AND OPERATION EXEMPTION—IN ORANGEBURG AND DORCHESTER COUNTIES, SOUTH CAROLINA

RESPONSE OF CSX TRANSPORTATION, INC. TO PROPOSED SCOPE OF STUDY

CSX Transportation, Inc. ("CSXT") responds to the Scope of Study proposed by the Section of Environmental Analysis ("SEA") of the Surface Transportation Board (the "Board") in a Notice served on July 29, 2005. The Scope of Study is required by 49 C.F.R. § 1105.10(b) whenever SEA proposes to prepare an Environmental Impact Statement ("EIS"). The Scope of Study outlines the impact categories that SEA will consider in preparing an EIS for the proposal by HolRail LLC ("HolRail") to construct a line of railroad between the Giant Cement Company and Holcim (US) Inc. ("Holcim") through Four Hole Swamp in South Carolina.

Attached is a verified statement by Ms. Jo Carole Dawkins commenting on the draft Scope of Study for the preparation of an EIS. CSXT adopts Ms. Dawkins comments and respectfully requests SEA to prepare the EIS as proposed by Ms. Dawkins.

CSXT is concerned that the alignment proposed for the alternate route, that is not on CSXT's property, be the most efficient and environmentally friendly route available that does not require construction to be within CSXT's right-of-way. As Ms. Dawkins states, CSXT requests that from an environmental viewpoint, the no-build alternative be given equal consideration as the preferred and alternate routes.

Paul R. Hitchcock, Esq. Associate General Counsel CSX Transportation, Inc. 500 Water Street Jacksonville, FL 32202 (904) 359-1192 Respectfully submitted,

Louis E. Gitomer, Esq.

Of Counsel

BALL JANIK LLP

1455 F Street, N.W., Suite 225

Washington, DC 20005

(202) 638-3307

Attorneys for: CSX TRANSPORTATION,

INC.

Dated: August 31, 2005

CERTIFICATE OF SERVICE

I hereby certify that I have caused this Response to be served by first class mail, postage

pre-paid on Counsel for HolRail LLC.

Louis E. Gitomer

August 31, 2005

BEFORE THE

SURFACE TRANSPORTATION BOARD

Finance Docket No. 34421

HOLRAIL LLC–CONSTRUCTION AND OPERATION EXEMPTION–IN ORANGEBURG AND DORCHESTER COUNTIES, SOUTH CAROLINA

VERIFIED STATEMENT OF JO CAROLE DAWKINS

I am Jo Carole Dawkins the principal of Environmental Consulting. I have reviewed the Scope of Study served on July 29, 2005 in this proceeding by the Section of Environmental Analysis ("SEA") of the Surface Transportation Board (the "Board"), at the request of CSX Transportation, Inc. ("CSXT"). My comments on the Scope of Study are attached as Appendix A. My qualifications are attached as Appendix B.

I have reviewed the Scope of Study and the publicly available documents in this rail construction proceeding for the alignments proposed by HolRail LLC ("HolRail"). In preparing an Environmental Impact Statement ("EIS"), I urge SEA to obtain all of the factual information identified in Appendix A, and to conduct the analyses described in Appendix A.

In addition, I suggest that SEA give equal weight to the no-build alternative and compare the impacts of no-build directly with the impacts of HolRail's preferred route and alternative route. There are two reasons that SEA should treat the no-build alternative on a par with the two alternates. First, HolRail is proposing to build the new line of railroad through an extremely sensitive area, Four Hole Swamp. Second, there is sufficient capacity on the existing CSXT line to handle any volume of traffic into the foreseeable future. Based on these factors, and

completely ignoring the economic costs of new construction, SEA should give the no-build alternative substantial weight in this process.

I, Jo Carole Dawkins declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement. Executed on August 30, 2005.

Jo Carole Dawkins

APPENDIX A

COMMENTS ON DRAFT SCOPE OF STUDY

Proposed Action and Alternatives

Comments:

- 1. The Environmental Impact Statement (the "EIS") should contain a detailed description of what is proposed to be constructed, including:
 - detailed engineering plans of both Alignments A (HolRail LLC's ("HolRail") preferred route) and B (including main track, side and connecting tracks)
 - detailed views of proposed points of connection with existing rail track, crossings of rail track, roads, and waterways
 - profile views and typical cross section of Alignments A and B
 - aerial photos and topographic maps showing the centerlines, station numbers, and grading limits of proposed rail trackage
 - maps/drawings showing the location of proposed haul roads, staging areas, and borrow/spoil sites for both Alignments A and B
 - a description of the various steps involved in constructing Alignments A and B
 - design specifications for both Alignments A and B, including:
 - a. weight of rail
 - b. maximum curvature of track
 - c. maximum grade
 - d. length of ties
 - e. grade of ties
 - f. number of ties per mile
 - e. turnout track size
 - g. top ballast depth
 - h. sub-ballast depth
 - i. subgrade width
 - j. minimum depth of drainage ditches and distance from center line
 - k. slope of cuts and fills
 - 1. depth of maximum cut
 - m. height of maximum fill
 - location and nature of any proposed fencing or retaining walls along Alignments A and B.
 - number and nature of any existing structures located within Alignments A or B or on property needed for ancillary activities
 - plans for disposition of vegetation cleared from the right-of-way ("ROW") and of other debris generated during construction.
- 2. For both Alignments A and B, the EIS should indicate the number of months construction is expected to take and the month(s) in which each major activity (clearing/grubbing, excavation and fill, bridge construction, track laying) would occur.

- 3. The EIS should list all permits required for construction of and operation over Alignment A or B, to whom and when the applications would be submitted, and expected date of permit grant. It should describe any conditions expected to be attached to those permits.
- 4. The EIS should indicate any other proceedings or agreements which must be undertaken in order to effect construction and operation of Alignment A or B.
- 5. The EIS should identify any non-rail alternatives considered (such as trackage rights, truck, ,etc) and why these alternatives were eliminated. It should provide sufficient detail as to potential environmental impacts of these alternatives to support their elimination from further consideration.
- 6. The EIS should include a detailed description of proposed operations over Alignments A or B, based on maximum expected rail operations resulting from the "optimum" expected production levels at the Holcim facility.
- 7. The EIS should identify the expected "downline" routing of trains projected to operate over Alignment A or B—that is, the expected routing over Norfolk Southern Railway Company ("NS") or other existing rail lines downline of the proposed construction.
- 8. The EIS should describe in detail the measures which would be taken to prevent rail operations over either alignment from interfering with CSX Transportation, Inc. ("CSXT") operations over its line.
- 9. The EIS should:
 - identify who would provide ROW and track maintenance, how often inspections would occur, and what items are looked for during inspections
 - describe vegetation control procedures: the size of the area to be covered, the equipment to be used, and frequency. If herbicides are to be applied, would they be in pellet or liquid form? How would they be applied? If liquid is to be sprayed, what measures would be implemented to mitigate potential blowing of the spray into adjacent waterways on windy days? Describe steps to be taken to prevent herbicide runoff into waterways and wetlands.
- 10. The EIS should identify who would provide rail service over the proposed rail line? It should provide details on expected operations, including:
 - expected number of locomotives, cars per train, and tonnage per car.
 - typical train length (in feet).
 - normal operating train speed
 - expected train speed at road or rail at-grade crossings?
 - if known, the days of the week and approximate time of day of train operations, both loaded and empty, over the proposed line.
- 11. The EIS should identify any hazardous materials expected to be shipped over Alignments A or B and their quantities, including waste chemicals.

Environmental Impact and Analysis/Proposed New Construction

Comments:

1. In order to accurately assess potential environmental impacts of the proposed rail project, such assessment must be based on detailed construction and operation information as requested in the previous section.

Impact Categories

Comments:

- 1. Rail operations impacts should be based on "optimum" production levels expected at the Holcim facility.
- 2. An additional category should be added for Downline Operational Impacts, that is, impacts on existing rail lines over which the traffic diverted from the CSXT will be routed. Assessment of downline operational impacts should also consider the presence of hazardous materials, including waste chemicals.
- 3. The EIS should present a table comparing the No-build Alternative to Alignments A and B, so that it may be immediately apparent that construction and operation of either alignment would have environmental impacts that simply would not occur if neither route were built.

Transportation and Traffic Safety

Comments:

- 1. The EIS should assess the potential for collisions, derailments, and delays on both Alignments A and B as well as on existing downline rail routes.
- 2. The EIS should address whether HolRail's preferred Alignment A presents a greater hazard than would Alignment B in the event of derailment or other rail accident due to Alignment A's close proximity to two other transportation corridors—Highway 453 and CSXT's existing rail track. The EIS should examine the potential domino effect of a derailment, explosion, or other rail accident on Alignment A spilling over into the CSXT and Highway 453 corridors, especially in view of expected higher traffic levels resulting from expansion of the Holcim facility and shipment of waste chemicals over the route.
- 3. The EIS should look at potential hazardous material safety hazards on downline rail routes over which Holcim traffic would be rerouted, including waste chemicals.
- 4. The EIS should discuss the fact that the proposed rail line construction would cause no diversion of traffic from other modes and so would not have the potential for reducing the likelihood of truck accidents.

Public Health and Worker Health and Safety

Comments:

1. The EIS should consider the effects on public health of potential derailments of rail cars carrying shipments of waste chemicals and other hazardous materials.

Water Resources

Comments:

- 1. The EIS should contain a detailed, independent engineering analysis of HolRail's proposed construction plans for Alignment A to determine how the proposed sizing and placement of culverts and bridges would affect water flow and to determine how construction of the substructure for Alignment A would affect the integrity of CSXT's existing rail line.
- 2. The EIS should examine in detail the potential for construction of Alignment A to erode the existing CSXT roadbed, damaging adjacent wetlands.
- 3. The EIS should specifically state that none of any expected impacts on water resources from the proposed rail line construction and operation would occur under the no-build alternative.
- 4. The EIS should identify the entity which would perform right-of-way maintenance and describe in detail plans for such maintenance, particularly the use of herbicides in vegetation control. The EIS should examine the potential impacts of possible herbicide runoff into adjacent wetlands.
- 5. The EIS should include potential impacts on water resources of any ancillary sites to the proposed construction, including access roads, staging areas, and borrow/spoil sites.

Biological Resources

Comments:

- 1. The EIS should examine the potential domino effect of a derailment, explosion, or other rail accident on Alignment A spilling over into the CSXT and Highway 453 corridors, and the impacts of such an occurrence on wildlife.
- 2. The EIS should include a detailed discussion of potential impacts of right-of-way maintenance procedures, including herbicide use, on biological resources.

Geology and Soils

Comments:

1. The EIS should examine in detail the effect of construction of Alignment A on the stability of soils and track subbase of the CSXT track.

Noise

Comments:

- 1. Assessment of noise impacts from rail operations should be based on maximum expected rail traffic levels in the foreseeable future and should include the "optimum" production scenario at the Holcim facility.
- 2. Assessment of noise impacts from rail operations over Alignment A should take into account the combined noise effects of three transportation corridors so near to each other—Highway 453, CSXT, and proposed Alignment A—noise from all three corridors would have an additive effect greater than just rail operations over the proposed route.

Vibration

Comments:

- 1. Assessment of vibration impacts from rail operations should be based on maximum expected rail traffic levels in the foreseeable future and should include the "optimum" production scenario at the Holcim facility.
- 2. Assessment of vibration impacts from rail operations over Alignment A should take into account the combined vibration effects of three transportation corridors so near to each other.

APPENDIX B

JO CAROLE DAWKINS STATEMENT OF QUALIFICATIONS

I, Jo Carole Dawkins, hold a Bachelor's Degree in Marketing Management from the University of Alabama, and a Master's Degree in Regional Planning from Pennsylvania State University. For the past thirty years I have been involved in preparing environmental documentation for Surface Transportation Board projects.

I spent ten years (1975-84) on the environmental staff of the former Interstate Commerce Commission (now the Surface Transportation Board) in Washington, D.C. In this position I prepared Environmental Assessments and Environmental Impact Statements on a wide variety of rail line abandonments, rail line constructions, and railroad mergers. I have spent the past twenty years serving as third-party contractor to the Interstate Commerce Commission/Surface Transportation Board's Section of Environmental Analysis. During this time I have prepared more than twenty Environmental Assessments or Environmental Impact Statements for a variety of rail line construction projects in over a dozen states.